

AMENDED IN SENATE APRIL 13, 2009

**SENATE BILL**

**No. 296**

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**Introduced by Senator Lowenthal**

February 25, 2009

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An act to add Sections 1367.27, 1367.28, and 1367.29 to the Health and Safety Code, *and to add Sections 10123.197, 10123.198, and 10123.199 to the Insurance Code*, relating to health care coverage.

LEGISLATIVE COUNSEL'S DIGEST

SB 296, as amended, Lowenthal. Mental health services.

Existing law provides for licensing and regulation of health care service plans by the Department of Managed Health Care. *Existing law provides for licensing and regulation of health insurers by the Department of Insurance.* A willful violation of provisions governing health care service plans is a crime. Existing law imposes certain requirements on health care service plans ~~and, specialized health care service plans, and health insurers~~ that provide coverage for professional mental health services.

This bill would require every health care service plan, including a specialized health care service plan, *and every health insurer* that offers professional mental health services to direct those services to be provided in a manner that ensures coordination of benefits between all mental health care providers and general physical health care providers. The bill would require these plans *and insurers* to establish an Internet Web site ~~conforming to minimum standards and guidelines established by the department by an unspecified date~~, and to issue a benefits card to enrollees *or insureds* with specified information.

By imposing new requirements on certain health care service plans, the willful violation of which would be a crime, the bill would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: majority. Appropriation: no. Fiscal committee: yes.  
State-mandated local program: yes.

*The people of the State of California do enact as follows:*

1 SECTION 1. Section 1367.27 is added to the Health and Safety  
2 Code, to read:

3 1367.27. (a) The Legislature finds and declares that  
4 coordination of care between mental health care providers and  
5 general physical health care providers is necessary to optimize the  
6 overall health of a patient.

7 (b) Every health care service plan that offers professional mental  
8 health services, including a specialized health care service plan  
9 that offers those services, shall direct those services to be provided  
10 in a manner that ensures coordination of benefits between mental  
11 health care providers and general physical health care providers.

12 SEC. 2. Section 1367.28 is added to the Health and Safety  
13 Code, to read:

14 ~~1367.28. (a) On or before January 1, \_\_\_\_\_, every health care~~  
15 ~~service plan that offers professional mental health services,~~  
16 ~~including a specialized health care service plan that offers those~~  
17 ~~services, shall establish a plan Internet Web site. The purpose of~~  
18 ~~the plan Internet Web site shall be to provide consumer, patient,~~  
19 ~~and provider access to plan procedures, policies, and network~~  
20 ~~provider information.~~

21 ~~(b) Each Internet Web site shall, at a minimum, include the~~  
22 ~~plan's policies and procedures identified in Sections 1363, 1363.5,~~  
23 ~~1367.01, 1367.23, 1367.26, 1368.015, 1371, 1371.8, 1373.95,~~  
24 ~~1374.30, and 1380.~~

25 *1367.28. (a) The Legislature finds and declares that health*  
26 *care consumers should be provided important information*  
27 *regarding health care services in an easily accessible manner.*

1 While most health care service plans are required to maintain  
2 Internet Web sites pursuant to subdivision (f) of Section 1368.015,  
3 it is the intent of this section to improve online access to all  
4 policies, guidelines, disclosure forms, and other materials that  
5 health care service plans are required by law to provide to the  
6 department or consumers.

7 (b) On or before January 1, 2012, every health care service  
8 plan that offers professional mental health services, including a  
9 specialized health care service plan that offers only those services,  
10 shall establish an Internet Web site. Each Web site shall include,  
11 or provide a link to, information relative to all of the following:

12 (1) Plan policies and procedures related to:

13 (A) Modified contracts or coverage as required by Section  
14 1352.1.

15 (B) Enrollee contract benefits and terms as required by  
16 subdivisions (a) and (b) of Section 1363.

17 (C) Economic profiling as required by Section 1367.02.

18 (D) Utilization review and modified coverage as required by  
19 Sections 1363.5 and 1367.01.

20 (E) Cancellation of contracts as required by Section 1367.23.

21 (F) Lists of providers as required by Section 1367.26.

22 (G) Enrollee and subscriber grievances as required by Sections  
23 1368 and 1368.015.

24 (H) Continuity of care as required by subdivisions (a) and (b)  
25 of Section 1373.95.

26 (I) Independent medical review as required by subdivision (i)  
27 of Section 1374.30.

28 (2) The department's final report of the plan's periodic review  
29 as required by subdivision (h) of Section 1380.

30 (3) All provider manuals, policies, and procedures related to  
31 the terms and conditions of provider contracts, including any  
32 material changes to those manuals, policies, and procedures.

33 (c) The material described in subdivision (b) shall be updated  
34 at least every month.

35 ~~(d) On or before January 1, \_\_\_\_\_, the department shall establish~~  
36 ~~minimum standards and guidelines for plan Internet Web sites,~~  
37 ~~after consultation with stakeholder groups, including, but not~~  
38 ~~limited to, individual, group, and institutional providers and~~  
39 ~~consumer protection groups. The minimum standards shall be~~  
40 ~~implemented by plans on or before January 1, \_\_\_\_\_.~~

1 (e)

2 (d) The department shall include on the department's Internet  
3 Web site a link to each plan Internet Web site.

4 SEC. 3. Section 1367.29 is added to the Health and Safety  
5 Code, to read:

6 1367.29. (a) Every health care service plan that offers  
7 professional mental health services, including a specialized health  
8 care service plan that offers those services, shall issue a benefits  
9 card to each enrollee for assistance with mental health benefits  
10 coverage information, in-network provider access information,  
11 and claims processing purposes. The benefits card, at a minimum,  
12 shall include all of the following information:

13 (1) The name of the benefit administrator or health care service  
14 plan issuing the card, which shall be displayed on the front side  
15 of the card.

16 (2) The enrollee's identification number, or the subscriber's  
17 identification number when the enrollee is a dependent who  
18 accesses services using the subscriber's identification number. The  
19 number shall be displayed on the front side of the card.

20 (3) A telephone number that enrollees may call 24 hours a day,  
21 seven days a week, for assistance regarding health benefits  
22 coverage information, in-network provider access information,  
23 and claims processing.

24 (4) A brief statement indicating that enrollees may call the  
25 telephone number for assistance regarding mental health services  
26 and coverage.

27 ~~(5) Preauthorization restrictions or requirements.~~

28 ~~(6) Information required by the benefits administrator or health~~  
29 ~~care service plan that is necessary to commence processing a claim,~~  
30 ~~except as otherwise provided in subdivision (b).~~

31 (5) *The plan's Internet Web site address.*

32 (b) A health care service plan shall not print any of the following  
33 information on the benefits card:

34 (1) Any information that may result in fraudulent use of the  
35 card.

36 (2) Any information that is otherwise prohibited from being  
37 included on the card.

38 (c) On and after July 1, 2011, the benefits card required by  
39 this section shall be issued by a health care service plan or a  
40 specialized health care service plan to an enrollee upon enrollment

1 or upon any change in the enrollee's coverage that impacts the  
2 data content or format of the card.

3 (d) Nothing in this section requires a health care service plan  
4 to issue a separate benefits card for mental health coverage if the  
5 plan issues a card for health care coverage in general and the card  
6 provides the information required by this section.

7 (e) If a specialized health care service plan delegates  
8 responsibility for issuing the benefits card to a contractor or agent,  
9 then the contract between the plan and its contractor or agent shall  
10 require compliance with this section.

11 *SEC. 4. Section 10123.197 is added to the Insurance Code, to*  
12 *read:*

13 *10123.197. (a) The Legislature finds and declares that*  
14 *coordination of care between mental health care providers and*  
15 *general physical health care providers is necessary to optimize*  
16 *the overall health of a patient.*

17 *(b) Every health insurer that offers professional mental health*  
18 *services shall direct those services to be provided in a manner that*  
19 *ensures coordination of benefits between mental health care*  
20 *providers and general physical health care providers.*

21 *SEC. 5. Section 10123.198 is added to the Insurance Code, to*  
22 *read:*

23 *10123.198. (a) The Legislature finds and declares that health*  
24 *care consumers should be provided important information*  
25 *regarding health care services in an easily accessible manner.*  
26 *The intent of this section is to improve online access to all policies,*  
27 *guidelines, disclosure forms, and other materials that health*  
28 *insurers are required by law to provide to the commissioner or*  
29 *consumers.*

30 *(b) On or before January 1, 2012, every health insurer that*  
31 *offers professional mental health services shall establish an*  
32 *Internet Web site. Each Web site shall include, or provide a link*  
33 *to, information relative to all of the following:*

34 *(1) Insurer policies and procedures related to:*

35 *(A) Modified contracts or coverage.*

36 *(B) Policyholder contract benefits and terms.*

37 *(C) Economic profiling as required by Section 10123.36.*

38 *(D) Utilization review and modified coverage as required by*  
39 *Section 10123.135.*

40 *(E) Cancellation of contracts as required by Section 10199.44.*

1 (F) Lists of providers as required by Section 10133.1.

2 (G) Policyholder and insured grievances.

3 (H) Continuity of care as required by Section 10133.55.

4 (I) Independent medical review as required by subdivision (i)  
5 of Section 10169.

6 (2) The results of any market conduct examinations of the  
7 insurer as required by Section 12938.

8 (3) All provider manuals, policies, and procedures related to  
9 the terms and conditions of provider contracts, including any  
10 material changes to those manuals, policies, and procedures.

11 (c) The material described in subdivision (b) shall be updated  
12 at least every month.

13 (d) The commissioner shall include on the department's Internet  
14 Web site, a link to each health insurer's Internet Web site.

15 SEC. 6. Section 10123.199 is added to the Insurance Code, to  
16 read:

17 10123.199. (a) Every health insurer that offers professional  
18 mental health services shall issue a benefits card to each insured  
19 for assistance with mental health benefits coverage information,  
20 in-network provider access information, and claims processing  
21 purposes. The benefits card, at a minimum, shall include all of the  
22 following information:

23 (1) The name of the benefit administrator or health insurer  
24 issuing the card, which shall be displayed on the front side of the  
25 card.

26 (2) The insured's identification number, or the policyholder's  
27 identification number when the insured is a dependent who  
28 accesses services using the policyholder's identification number.  
29 The number shall be displayed on the front side of the card.

30 (3) A telephone number that insureds may call 24 hours a day,  
31 seven days a week, for assistance regarding health benefits  
32 coverage information, in-network provider access information,  
33 and claims processing.

34 (4) A brief statement indicating that insureds may call the  
35 telephone number for assistance regarding mental health services  
36 and coverage.

37 (5) The health insurer's Internet Web site address.

38 (b) A health insurer shall not print any of the following  
39 information on the benefits card:

1     *(1) Any information that may result in fraudulent use of the*  
2     *card.*

3     *(2) Any information that is otherwise prohibited from being*  
4     *included on the card.*

5     *(c) On and after July 1, 2011, the benefits card required by this*  
6     *section shall be issued by a health insurer to an insured upon*  
7     *commencement of coverage or upon any change in the insured's*  
8     *coverage that impacts the data content or format of the card.*

9     *(d) Nothing in this section requires a health insurer to issue a*  
10    *separate benefits card for mental health coverage if the plan issues*  
11    *a card for health care coverage in general and the card provides*  
12    *the information required by this section.*

13    ~~SEC. 4.~~

14    SEC. 7. No reimbursement is required by this act pursuant to  
15    Section 6 of Article XIII B of the California Constitution because  
16    the only costs that may be incurred by a local agency or school  
17    district will be incurred because this act creates a new crime or  
18    infraction, eliminates a crime or infraction, or changes the penalty  
19    for a crime or infraction, within the meaning of Section 17556 of  
20    the Government Code, or changes the definition of a crime within  
21    the meaning of Section 6 of Article XIII B of the California  
22    Constitution.